

# *Village of Mackinaw City*

102 South Huron Avenue, P.O. Box 580, Mackinaw City, Michigan 49701

Telephone: (231) 436-5351

Fax: (231) 436-4166

February 7, 2006

Robert Heilman  
Village President  
Village of Mackinaw City  
102 S. Huron  
Mackinaw City, MI 49701

Dear Robert:

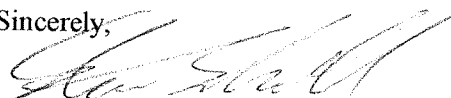
You asked me to review House Bills 4836 and 4837 regarding Housing Impact Statements. The House Bills would require the Village to submit an impact statement when a new rule, regulation, or ordinance is adopted or approved. This impact statement would explain how a proposed change might impact the affordability of new housing and the rehabilitation of existing housing. The impact statement would also be required to spell out why the Village is adopting the rule, the legal basis for the rule, and whether there are any other alternatives to the rule.

The impact on the Village and the additional amount of time needed to process changes to our rules, regulations and ordinances would be significant. It appears that this type of statement would be required of **any** rule, regulation, or ordinance change. We completed approximately 15 ordinance changes in the last year and this type of statement would take a significant amount of time to process for each of these changes. We would be forced to increase our permit and application fees as a result.

Housing impact studies are important for any community. We completed a housing needs assessment in 2001 and are implementing changes to meet the needs of our community. We recognize that there is a problem with housing costs that are rising at a disproportionate rate to wages. However, to complete 15 housing impact studies in one year, as we would have had to last year under this bill, would only serve to burden our strained resources, add time and financial costs to the development process, and numb the community to housing studies. I see the intent of these bills as good. I see these bills, as they are written, as a hindrance to good planning.

If housing needs are to be addressed properly, large developments should be required to address the housing demand they impose on a community. Each community on their own can establish a requirement to submit housing impact studies for large resort developments or commercial projects which employ many people. Communities can also require the developer to pay for some of the housing that will meet the resulting demand. The size of development that might impact housing and require an impact study would be determined by that local municipality.

Sincerely,



Steve Schnell, AICP  
Community Development Director

